



*Isaac Buchanan & Co.*

**PROVIDENT**

**Life Assurance and Investment  
COMPANY.**



**TORONTO, C. W.**

*Agent for*

1855.

1899

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TO THE UNIVERSITY OF CHICAGO

**PROVIDENT**  
**Life Assurance and Investment**  
**COMPANY.**

**HEAD OFFICE, TORONTO, C.W.**

*Capital, £100,000, divided into 5,000 Shares of £20 each.  
(With power to increase to £250,000.)*

The amount subscribed for Stock may be paid either  
in one sum, or in twenty instalments, as most  
convenient to the Subscriber.

**Provisional Directors.**

B. W. SMITH, Esq., *Sheriff County of Simcoe.*

S. BREGA, Esq., *Registrar County of Peel.*

R. A. PARKER, Esq.

J. STOUGHTON DENNIS, Esq.

R. G. BARRETT, Esq.

W. H. SMITH, Esq.

With six others to be selected from the Stockholders.

Directors elected by and from amongst the Shareholders.  
Stock Saleable or Transferable.

Interest payable half-yearly.

1855  
(9)

## PROVIDENT

### Life Assurance and Investment Company.

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It must be remembered that this is not the English "Provident Life Office," but a Canadian Institution. The Stock owned and Invested in Canada ; under the control of the members (the Directors being elected by the Shareholders), and intended to do business in the British North American Provinces, but more particularly in Canada.

It is believed that the Stock of this Company will pay a rate of interest not exceeded by that of any company or institution in or out of the Province ; there being as yet but one *native* office doing business within the limits of British America,—and, notwithstanding the rapid progress that Life Assurance has made in the civilized world within the last fifty years, the practice may even yet be said to be in its infancy.

The uniform success that has invariably attended all Life Assurance Companies yet started, renders it unnecessary to enter into detail in showing the advantages of this Company as a medium for Investment. To all who are seeking a permanent, or

even a temporary investment the Company offers the two-fold advantage of handsome interest and good security.

It must also be borne in mind by those having money to invest, that the stock of a Life Assurance Company is perfectly safe, and that the profits are not liable to the same fluctuation and uncertainty as the profits of Fire or Marine Insurance.

An English writer on Life Assurance, (even as far back as 1837,) says: "That the business of Life Assurance has greatly increased, is undoubted, so much so as to attach to these institutions the character of vast national importance."

During the last few years, since the benefits of Life Assurance have been better understood than they were formerly, strenuous efforts have been making by a few English Offices to extend their business connections into these Provinces, but as, in the first place, all sums realized by these offices in the shape of profits are sent out of the Provinces,—and, secondly, as from the low rate of interest obtained on investments in England, these English Companies cannot *safely* charge as low premiums as a Canadian Office investing its means in Canada, it is manifestly to the advantage of



Canada and Canadians to transact their own Life Assurance business.

The general business of the Company will comprise Assurance of Life, the granting and purchase of Annuities, Reversions, Endowments, Life Interests, &c., &c. From the great and rapidly increasing field for operations of this nature in the Provinces, this branch of the Company's operations cannot fail of being highly remunerative.

Persons taking Stock will pay a deposit of One Pound per Share at the time of subscribing ; or, they may pay as many more Instalments as they think proper.

Two months' notice will be given of each call, and not more than One Pound per Share will be called in at any one time.

Receipts will be given by the Agents for all sums received by them, and duplicate receipts will be sent from the Office as soon as the remittances arrive there.

Any further information required may be obtained at the temporary Office of the Company,  
54 KING STREET EAST, TORONTO, C. W.

EAST OF THE " COLONIST " OFFICE.



## **PROVIDENT**

### **LIFE ASSURANCE AND INVESTMENT COMPANY.**

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#### **A little Information respecting Life Assurance and its objects.**

“The institution of Life Assurance Societies” says Mr. Jenkin Jones “is generally admitted to be one of the most important and benevolent features in modern civilization; and it must be gratifying to all who take an interest in the welfare of society and in the happiness of their species, to observe the great increase which has taken place in the number of these institutions so far as that fact may be taken as an indication of the increase in the numbers who have availed themselves of their advantages.”

“The origin of the practice of Life-Assurance” says Mr. F. Blayney “cannot (it should seem) be traced to any precise period. It, however, appears that the first public institution established for that purpose was the *Amicable Society*, previously to which Life Assurance was very rare, and confined to a few individual underwriters.

“So long ago as the reign of Queen Anne, the Bishop of Oxford, Sir Thomas Allen, and several

other individuals, sensible of the benefit arising from Life Assurance, obtained a charter by which the corporation called the *Amicable Society*, for a perpetual assurance office, was established. The object of this society, in its original formation, was simply to enable persons, without regard to age, to subscribe annually some portion of their income, in order that the representatives of each subscriber might, upon the decease of the party, receive such a sum of money as the funds of the corporation would enable them to pay, according to the number of deaths which might have happened in each year ; so that, in every case, whatever might be the age of the party, or the period for which the assurance was effected, the same premium was charged. It may, however, be remarked, that this society was incorporated at a time when the principle of Life Assurance was very imperfectly understood ; but many useful regulations were afterwards introduced into its system, and, finally, the premiums were graduated according to the age and circumstances of the parties assured ; but this important regulation did not take place until the year 1807, (about 100 years

after the society was established), for although the company obtained a second charter in the year 1731, and a third charter in 1790, yet from its uniform success, no material alteration was deemed necessary to be made in the constitution of the society ; but the limit of its assurance was extended to a greater number of persons than that fixed by the first charter. However, by their fourth charter, granted in 1807, the premiums became regulated according to the age and circumstances of the parties assured. The fifth charter obtained by this society limits the number of members to sixteen thousand, but which, by another charter recently granted, may be increased to double that number.

The Amicable Society being, however, by its first charter limited to a small number of subscribers, and those only for small sums, three other assurance companies were shortly afterwards established upon plans more extensive, but dissimilar to the system adopted by the above society ; namely, the *Union*, *London Assurance*, and *Royal Exchange*, the two latter of which obtained their charters from King George the First, and opened assurances as proprietary establishments. The

pecuniary wants of Government, at this time, induced them to impose on each of these companies the payment of £300,000, as a consideration for the grant of their charters, half of which was paid, but the other half was subsequently remitted.

The only object at first contemplated by assurance offices, was that of effecting assurance on lives, as appears by one of their charters, which recites "that it has been found by experience to be of benefit and advantage for persons having offices, employments, estates, or other incomes determinable on the life or lives of themselves or others, to make assurances on the life or lives upon which such offices, employments, estates, or incomes are determinable." The business of these institutions is not, however, now confined to assurance on lives, but extends to the granting and purchasing annuities, creating endowments for children, &c.

"By an act passed in the 39th of his late Majesty George III. c. 83, for incorporating the Globe Insurance Company, it empowers them (amongst other things) to make insurance on the life or lives of any person or persons whomsoever, and to grant, purchase, and sell annuities for

lives, or on survivorship, and to grant sums of money, payable at future periods within the Kingdom of Great Britain and Ireland, and any other parts abroad ; to receive deposits of funds ; Tontine Societies, and other institutions, and make provisions for the widows and children of the clergy, and receive deposits from or on account of members of the industrious classes of society, and make provisions for the same, by allowing interest on such deposits as may be agreed upon between the said corporation and the persons and societies treating with such corporation."

"The business of life assurance, as now carried on, may be classed under the following general heads : namely, *assurance for life or years* ; *contingent assurance*, or the assurance of one life against another ; and, *survivorship assurance*, or the assurance of the payment of a certain sum on the death of one of the two parties assured."

## TONTINES.

We learn from the Gentleman's Magazine of the year 1791, that the term Tontine was derived from an Italian named Lawrence Tonti, a dependant or employee of Cardinal Mazarin, who in the year 1653 first proposed a scheme of annuities with survivorship.\* The plan, however, was not brought into operation till the year 1689, "when," as we learn from the same authority, "Louis XIV was distressed by the league of Augsburg, and granted money beyond what the revenues of the kingdom would furnish, for supplying his enormous expenses, he had recourse to the plans of Tonti, which, though long laid aside, were not forgotten; and by an edict in 1689, created a *Tontine Royale* of 1,400,000 *livres* annual rent divided into fourteen classes. The *actions* (or

\* By "Survivorship" it is meant that the longest liver of the annuitants becomes ultimately the holder and proprietor of the whole stock. Each annuitant receives interest during life, and at the death of each, this ceases, the heirs of no annuitant but the survivor of all having any claim on the concern. Hence, when Tontine schemes are established, the subscribers usually settle the annuities on their youngest and healthiest children, to give the better chance of survivorship. Inns and public buildings of different kinds are still sometimes built on the Tontine plan.—CHAMBERS' EDIN. JOURN.

shares) were 300 *livres* a-piece, and the proprietors were to receive 10 per cent., with benefit of survivorship in every class. The scheme was executed but very imperfectly ; for none of the classes rose to above 20,000 *livres*, instead of 100,000, according to the original institution, though the annuities were very regularly paid. A few years after, the people seeming in better humour for projects of this kind, another Tontine was erected upon nearly the same terms.—They both subsisted in the year 1726, when the French King united the 13th class of the first Tontine with the 14th of the second ; all the *actions* of which were possessed by Charlotte Bonnemay, widow of Louis Barbier, a surgeon of Paris, who died at the age of ninety-six.

This Gentlewoman had ventured 300 *livres* in each Tontine ; and in the last year of her life she had for her annuity 73,000 *livres*, or about £3600 a-year, for about £30.



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By a Resolution of the Board of Directors, each Stockholder in the Company will be allowed to Assure his own life, or the life of one other person nominated by him, at a reduced rate of premium.

